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But it is evident that the author has wandered a long way from the postulate of equality. And just what would be the effect of such a system of taxation on the amount of savings is not at all clear. It is, of course, a matter of the elasticity of the demand for the particular things taxed as compared with (1) other present gratifications and (2) future goods and services. This point is as simple as it is fundamental, but Professor Einaudi neglects it.

Although the thing aimed at in most modern systems of direct taxation is gross income (with a minimum exemption) rather than "realized" income, there is already at work, thinks Professor Einaudi, an effective if largely automatic tendency toward the exemption of savings from taxation. His elaboration of this thesis is, in the reviewer's opinion, the most valuable part of the monograph. It contains a multitude of acute observations on existing tax systems together with thoughtful recommendations for their betterment. Especially interesting are the discussions of the taxation of building lots and inheritances and of the relative merits of taxes on income-yielding property and of the super-tax on incomes from property.

Professor Einaudi does not hold as fast to his "premise" as he ought to, but the quality of his discussion is possibly all the better on that account. He has particular difficulty with the dilemma that comes from the fact that to exempt those who ought to be given an opportunity to save is not, generally speaking, to exempt savings. But altogether the monograph is of very unusual interest and value.

ALLYN A. YOUNG.

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NEW BOOKS

BARRIOL, A. *Théorie et pratique des opérations financières*. (Paris: Doin. 1914. Pp. 420. 5 fr.)

BERTHOLD, O. *Ergebnisse der Wertzuwachssteuer und die Wirkungen der Steuer auf den Grundstücksumsatz*. (Berlin: Vahlen. 1914. 3 M.)

BLAKEMORE, A. W. *Inheritance taxes in 1912 and 1913. Supplement to the inheritance tax law*. (Boston: Boston Book Co. 1914. Pp. 115. \$1.)

BOLEN, G. L. *The whole truth about the tariff*. (Battle Creek: Phoenix Pub. Co. 1914. Pp. 252.)

BREED, W. C. *Practical questions and answers covering the income tax law*. (New York: Irving National Bank. 1914. Pp. 18. 50c.)

CHRYSTIE, T. L. *The law and practice of inheritance taxation in the state of New York*. (New York: Banks Law Pub. Co. 1914. Pp. xxix, 890. \$6.50.)

CONTI, E. *Guide du receveur des finances*. (Paris: Berger-Levrault. 1914. Pp. 354; 334. 15 fr.)

DALE, B. *The effect of taxes on foodstuffs*. (London: Effingham Wilson. 1914. Pp. xv, 64. 2s.)

EASTMAN, F. M. *A supplement to Eastman on taxation in Pennsylvania*. (Newark, N. J.: Coney & Sage. 1914. Pp. 1101-1344. \$3.)

FILLEBROWN, C. B. *Taxation*. The national social science series. (Chicago: McClurg. 1914. Pp. 163. 50c.)

On the whole, this book succeeds admirably in its purpose to give a brief and simple exposition of the principles and practice of taxation. However, its bald statements on the shifting of taxes on intangible property do not carry conviction (pp. 81, 82) and the arraignment of the general property tax is on that account less telling than it might be.

Economists will be chiefly interested in the divergences from the orthodox single tax doctrine here disclosed by a leading exponent of that theory. He holds that taxes should be apportioned according to ability to pay, rather than according to benefits (pp. 27, 32, 40), and concedes the injustice of the single tax where land ownership represents the investment of earned incomes (p. 36). Most astonishing of all is his statement that "it would in any case be desirable to leave to the owner of land a certain interest in its rental value in order to insure efficiency and progress in management" (p. 132).

Mr. Fillebrown adheres to the so-called "fiscal school," which regards the single tax "as a measure of practical tax reform rather than as a panacea for industrial diseases" (p. 137). It seems to the reviewer that this view of the single tax has little to commend it. The confiscation of existing land values which the single tax involves can be defended only if it can be shown that the single tax is an efficacious remedy for social ills; it cannot even be condoned if indulged in merely, or even chiefly, for fiscal reasons. Mr. Fillebrown's proposal of a "gradual levy" (p. 130), if anticipated, would result in only a slight diffusion of the loss, for by far the larger part would in any event fall upon existing owners; and his assertion that no confiscation is involved, since only privilege is taxed (p. 134), merely begs the fundamental question as to the extent of unearned increment in land values, or at best, rests on the blind hope that the rate would not be so high as to reach that portion of land values which may be the result of individual effort.

O. C. LOCKHART.

FOOTE, H. M. *An analysis and interpretation of the federal income tax law*. (Washington, D. C.: W. F. Roberts Co. 1914. Pp. 73. \$1.50.)

- FOSTER, R. *A treatise on the federal income tax under the act of 1913.* (Rochester, N. Y.: The Lawyers Co-operative Pub. Co. 1914. Pp. xxvii, 1026.)
- GRAHAM, J. C. *Taxation (local and imperial) and local government.* Fourth edition, revised and enlarged by M. D. WARMINGTON. (London: King. 1914. 3d.)
- HELFFERICH, K. *Germany's economic progress and national wealth 1888-1913.* (New York: Germanistic Society of America. 1914. Pp. vii, 124.)
To be reviewed.
- HENDERSON, E. H. *Income tax puzzles; revised and selected answers to questions arising under the United States income tax law.* (Chicago: G. F. McKiernan & Co. 1914. Pp. 197. \$1.)
- HOEPPE, A. *Zur Geschichte und Beurteilung der Papierzölle im Zolltarif von 1902.* Münchener volkswirtschaftliche Studien, 129. (Stuttgart: Cotta. 1914. Pp. viii, 80. 3.50 M.)
- KLEIN, S. *Der Tabakzoll seine Erhebung und Rückvergütung.* (Berlin: Bennisson & Ehrlich. 1913. Pp. iii, 244. 2.50 M.)
- KOCH, W. *Gemeindesteuergesetz für das Königreich Sachsen vom 11. Juli 1913.* (Leipzig: Rossberg. 1914. Pp. viii, 290. 5 M.)
- LISSNER, J. *Die Zukunft der Verbrauchssteuern in Deutschland.* Finanzwissenschaftliche Zeitfragen, 9. (Stuttgart: Enke. 1914. 2 M.)
- MAGRATH, J. W. *The federal income tax.* Second edition. (New York: Walters & Mahon. 1914. Pp. 242.)
- MANN, F. *Der Marschall Vauban und die Volkswirtschaftslehre des Absolutismus.* (Munich: Leipzig: Duncker & Humblot. 1914. 12 M.)
- MURRAY, R. *Le nozioni delle stato, dei bisogni pubblici e dell' attività finanziaria.* (Florence: G. Carnesecchi e figli. 1913. Pp. viii, 567. 10 l.)
- O'FARRELL, H. H. *The Franco-German war indemnity and its economic results.* (London: Harrison & Sons. 1913. Pp. x, 80.)
Norman Angell's chapter on The Indemnity Futility in his *The Great Illusion* is the starting point for this book, and his deductions concerning the economic consequences of the Franco-German war indemnity are subjected to close scrutiny and analysis. Mr. O'Farrell traces the process by which the huge "war-fine" of \$1,000,000,000 was paid by France between June 1, 1871 and September 5, 1873, gives the details of its expenditure by Germany, and then discusses the economic results. It seems plainly incorrect, he says, to regard the disasters which followed in Germany as entirely, or even mainly, due to the receipt of the French indemnity; and France was spared the full effects of what was in reality a world-wide depression partly, indeed, because the floating of the

two war loans had absorbed much French capital, but also in great measure in consequence of the recent opening of the Suez Canal.

He makes clear, however, the distinction between a predatory exaction in the nature of a ransom and a loan for productive purposes bearing interest. In the first case the injury would reverberate throughout the entire community, returning in due force upon the victor; in the other there is no "reverberatory shock." In the first case the productive forces of the community have been injured; in the second they have been stimulated. Mr. O'Farrell arrives in the end, although by a different path, at a conclusion substantially in agreement with Mr. Angell, and predicts that when other motives have ceased to impel nations to war, the desire for loot and ransom will have long been inoperative as a stimulant to military enterprises. To make the operation remunerative in the case of a struggle of even moderate duration between modern communities tolerably equally matched in point of military strength, he says, the ransom would ultimately have to be fixed so high that it would trench upon the capital of the conquered nation; and the difficulties of compelling payments, as well as the shock to international credit, would be enormously increased. The book contains a good bibliography and will doubtless serve to stimulate further research on the subject.

GEORGE W. NASMYTH.

PERRIN, J. W. *History of the Cleveland sinking fund of 1862*: (Cleveland, O.: Arthur H. Clark Co. 1913. Pp. 68. \$2.50.)

A careful account is here given of an interesting experiment in municipal finance by the city of Cleveland which continued for just fifty years. In 1862 a sinking fund was established to pay off the water bonds which had been issued in 1854 and ran for some thirty years. The fund was to consist of certain railroad stocks for which the city had subscribed with city bonds between the years 1846 and 1851, and which were still in its possession. Its management was entrusted to a co-optative board of five commissioners, who were to serve without compensation and who were given liberal authority to invest the income and principal of the fund according to their best judgment. So successfully did the board do its work that by 1878 the original fund of \$361,377 had been swelled to \$2,109,357. By 1881 the whole amount of water bonds, aggregating \$925,000, had been paid off, and the fund began to be used for other public purposes. Streets were repaved, part of the city's debt was paid, a bridge was constructed, and the fire department extended, but the largest amount—just half of all—was used for park purposes. On June 30, 1913, after an existence of half a century the board made its last report, showing a total expenditure during that period of \$4,636,370.

Dr. Perrin concludes that this experience "shows conclusively what may be accomplished by municipalities if their funds are invested under a wise and conservative management" (p. 23). But few cities could count upon such wise and loyal devotion to the

city's interests, or upon a recurrence of such large gains from the rapid economic development of the state, which seemed to bestow a Midas's touch upon all transactions of the board. It is, however, an inspiring object lesson in the midst of the all too frequent misuse of municipal funds.

E. L. B.

RITTER, R. *Die Wehrsteuer in der Praxis*. (Frankfurt: Hermann Minjon. 1913. Pp. 62. 1 M.)

SELIGMAN, E. R. A. *Essais sur l'impôt*. Volume II. Translated by L. SURET from the eighth American edition. (Paris: Giard & Brière. 1914. Pp. 618. 30 fr.)

SENTUPERY, L. *Nos impôts et les principes républicains*. (Paris: Comité Central d'Etudes et de Défense Fiscale. 1914.)

SIEGFRIED, B. *Repetitorium der Finanzwissenschaft*. (Bern: Stämpfli. 1914. Pp. 98. 3 M.)

TAUSSIG, F. W. *The tariff history of the United States*. Sixth edition revised, with additional material, including a consideration of the tariff of 1913. (New York: Putnam. 1914. Pp. 465. \$1.75.)

VERINDER, F. *Land, industry and taxation*. The people's books, no. 121. (New York: Dodge Pub. Co. 1914. Pp. 94. 25c.)

This tiny volume presents clearly and forcibly the case for the taxation of land values as a substitute for the present system of national and local taxation in England. A national fund raised in this way would not only set free industrial forces and abolish unemployment, but would solve the housing problem and distribute all the burdens of government in proportion to benefits.

C. C. W.

Final report of the department committee on local taxation. Cd. 7315. (London: Wyman. 1914. 1s.)

There are at present at least nine distinct grants for elementary education; the rateable value per child varies in the different areas from 52s. to 150s. The effect of the committee's recommendation will be to increase the grants to local authorities (on the 1911-12 basis) by £4,700,000.

Proceedings of the seventh annual conference under the auspices of the national tax association held at Buffalo, New York, October 23-25, 1913. (Madison: National Tax Association. 1914. Pp. 465.)

Papers of especial interest are: "Some problems of corporate taxation in New York state," by Randall J. LeBoeuf; "An equitable standard for land valuation," by Walter W. Pollock; "State taxation of banks," by Thomas B. Paton; and "Report of committee on forest taxation," by Fred R. Fairchild.

Le régime financier des colonies. (Paris: Giard & Brière. 1914. 2.50 fr.)

Catalogo de las obras que forman su biblioteca. Secciones de hacienda publica y de comercio y transporte. (Habana: Camara de Representantes. Nov., 1913.)

This volume of more than 200 pages contains the catalogue of works upon public finance, and upon commerce and transportation in the Congressional Library of Cuba. The list is a selected one, and in the interest of greater usefulness contains many titles to important periodical articles as well as to books. The 770 titles upon public finance deal with principles, history, and administrative organization, including works on all forms of taxation, public credit, public domain, and on municipal and provincial finance. There is no attempt to include works on coinage. The 724 titles on commerce and transportation emphasize tariff questions and maritime as well as land transportation. There are numerous references to the Panama canal and the Nicaragua project, but questions of diplomacy are omitted. From this section there are also omitted titles on commerce and maritime law, and on ship-building and engineering. Students in this country are likely to find especially useful the references to Cuban and Spanish literature, both official and non-official. There is an author index of 35 pages. R. F. F.

Population and Migration

In Freedom's Birthplace. A Study of the Boston Negroes. By JOHN DANIELS. (Boston: Houghton Mifflin Company. 1914. Pp. 479. \$1.50.)

The experience of the author while holder of the South End House Fellowship in Harvard University, has led him to make this study. The historical account of the growth of the negro population is concerned largely with the abolition struggle and the Civil War and Reconstruction period and contains little that is not already common knowledge. Note is made of the reaction in Boston's attitude toward the negro such as to amount to a practical acceptance "of the South's anthropological theory with respect to the race." At the same time, there has been a general endorsement of Booker Washington's point of view with regard to the negro's status and line of development.

There were in Boston proper, in 1910, 13,564 negroes and 23,115 in greater Boston. The proportion of negroes in the population of Boston proper has been uniformly two per cent for the past twenty years. The increase in population has been thus far entirely by immigration. Although there have been negroes in Boston since the earliest colonial days, yet "a native stock has as yet barely begun to get established." For the past fifty years the death-rate has been almost uniformly higher than the birth-rate. During the five-year period, 1905-1910, however, the average showed one point excess in the birth-rate. The author's conclusion is identical with that of other students of the Northern